

The logo for EFG HERMES, featuring a stylized 'E' symbol followed by the text 'EFG HERMES' in a bold, sans-serif font. The 'EFG' is in a light green color, and 'HERMES' is in a dark green color.

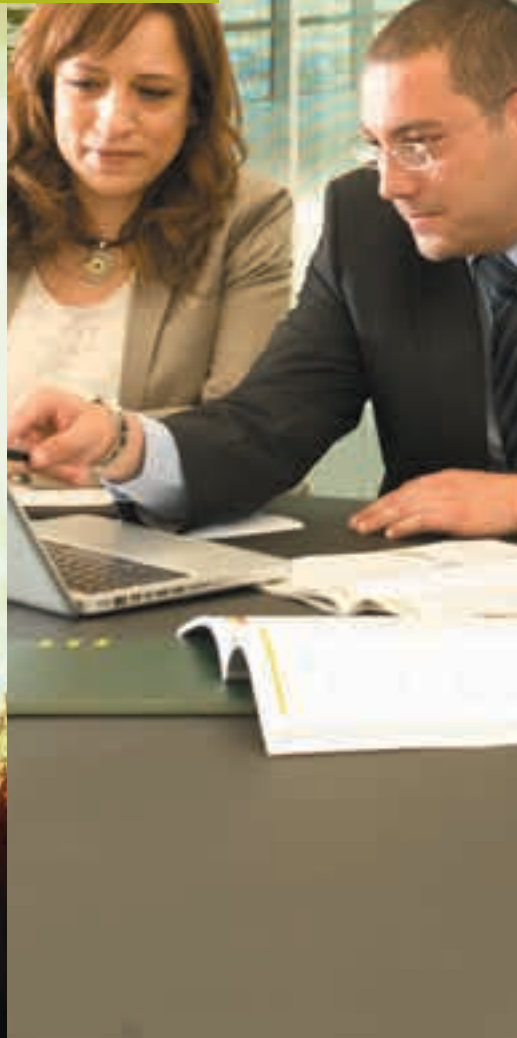
EFG HERMES



EFG HERMES

**PUBLIC RESPONSIBILITY
THE WAY FORWARD**

SUSTAINABILITY REPORT 2014



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FOREWORD FROM OUR CHAIRPERSON

Dear Shareholders,

It is with great pride that I present you with EFG Hermes' first annual Sustainability Report.

As the region's leading investment bank, we are more committed than ever to being at the forefront of change within our industry. The world around us has evolved and we have risen to meet the strategic challenges presented to us. We have come to the realization that creating sustainable, long-term value and prosperity for our stakeholders is only possible if we take the social and environmental impacts of our investments into account and commit to pursuing sustainability as part of our core operations.

Solid values have been central to EFG Hermes' success since its founding in 1984. In 2014, we redefined our vision and articulated a set of values that describe the kind of institution EFG Hermes aspires to be in the coming decades. We aim to nurture a culture of inclusion built on our values and vision that inform all aspects of how we do business across the MENA region and beyond.

Our guiding strategy is firmly rooted in the adherence to five core principles: People, Products, Positioning, Presence and Profitability which have helped the firm achieve its goals and maintain its status as the leading investment bank in the region. Our commitment to sustainability has led us to introduce a sixth strategic guiding principle: "Public Responsibility."

This principle dictates that EFG Hermes must strive to create value for its stakeholders, instil sustainability across business functions, and ensure that the creation of corporate value does not come at the expense of society, the environment, or the economies of the nations in which we do business.

This is a time of change both in the banking industry and in the MENA region. We recognize both the risks and opportunities associated with these developments and we anticipate further challenges on the road ahead. We have made important progress in 2014 through our commitment to sustainability and we look to the future with confidence and invite you to consider our achievements so far.

Yours sincerely,

Mona Zulficar

Non-Executive Chairperson



A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

Fellow Shareholders,

At EFG Hermes, we have always held the belief that we cannot thrive if we do not fully understand our role in society. The last few years have been tumultuous and have underlined the need for firms such as ours to engage more fully with the world around them while continuing to demonstrate high levels of accountability, transparency and responsibility. We are proud to have weathered the challenges and to have come out stronger and more committed than ever to building on our track record of integrity, leadership and value creation.

In 2014, we added "Public Responsibility" to the guiding principles which inform how we conduct our business, deal with stakeholders and interact with the communities in which we operate. This translates to balancing the needs of all our stakeholders and ensuring that our mandate of creating value for our shareholders and clients does not come at the cost of the environment or society. We are proud to have articulated our social purpose which formalizes our commitment to sustainability by leveraging our financial expertise and capitalizing on our human talent to create sustainable value for our stakeholders and the communities we serve. The newly formed corporate sustainability committee is in the process of developing a sustainability strategy at the corporate governance level with clear guidelines and practical and implementable policies.

We are also committed to maintaining high levels of both formal and informal engagement with our stakeholders and we actively seek continuous feedback from them to acquire the in-depth knowledge necessary to ensure that our products and actions balance stakeholder needs and fulfil their expectations of us. We recognize that integrating sustainability parameters into our investment models is key to ensuring our long-term status as the leading investment bank in the MENA region. EFG Hermes is highly committed to promoting innovation, especially in the areas of renewable and clean energy and has recently invested in three landmark projects that have significant environmental and social returns in addition to being highly rewarding financially. Moving forward, we will also be integrating sustainability reporting into the requirements we ask of our investment banking clients in order to identify projects that are environmentally and socially sustainable as well as profitable.

We have always taken our social responsibility seriously and the adoption of "Public Responsibility" as a guiding principle is an extension of the work undertaken by the EFG Hermes Foundation. We aim for maximum impact by adopting an integrated development approach that relies on partnership to maximize resources and ensure broad and lasting impact. Subject to the overall performance of the Firm, up to EGP 50 million has been allocated to the Foundation for activities from 2015-2018. Currently, the EFG Hermes Foundation is solely operational inside Egypt. However, our intention is to expand operations to our other regional offices throughout the region.

We also promote a culture of social responsibility among our employees, encouraging them to engage with the world around them and to use their skills in developing innovative solutions that advance broad-based, sustainable development and contribute to creating vibrant and flourishing communities.

Our commitment to sustainability extends to the responsible planning and management of resources within our own operation and we have embarked upon an ambitious programme to promote energy efficiency and waste reduction in our offices.

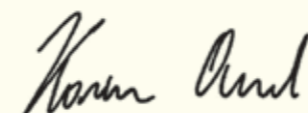
Underpinning all of these endeavours is our core value of integrity. We place the highest value on ethics, transparency, accountability and risk management, and strive to always be trusted partners to all our stakeholders.

Our business is by nature highly competitive and our aim is to leverage that highly driven performance culture to lead not only in our core business areas but as pioneers of sustainable investing and public responsibility.

Yours Sincerely,

Karim Awad

CEO





EFG Hermes Overview

WHAT WE DO

Established in 1984, EFG Hermes is the leading investment bank in the Arab world and provides a comprehensive spectrum of financial services including investment banking, asset management, securities brokerage, research and private equity. Additionally, EFG Hermes owns a 63.7% majority stake in the Lebanese commercial bank Crédit Libanais. Through its operations in Egypt, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia and the UAE, EFG Hermes serves a considerable and diversified client base from the Middle East and North Africa to Europe, Africa and the United States. In addition, the Firm also has indirect presence in Morocco, Bahrain, Palestine and Iraq serving a total of over 102,400 clients worldwide



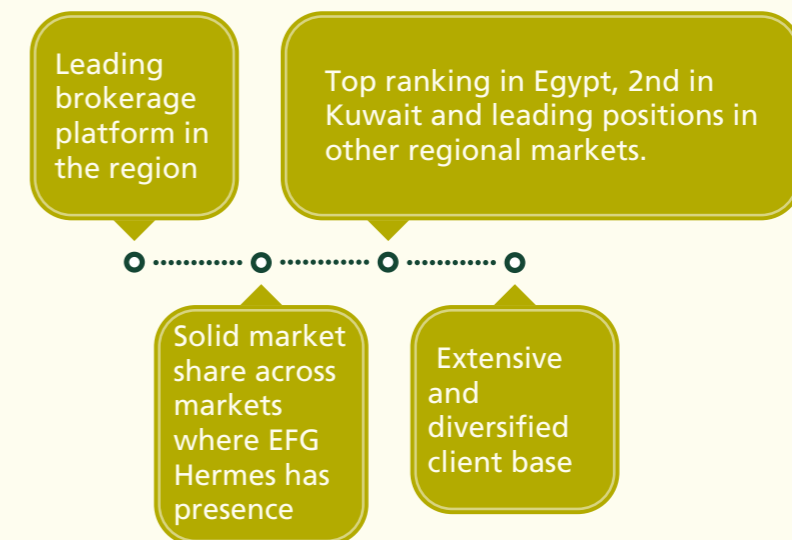
EFG HERMES OVERVIEW FY14	
GROUP REVENUE	EGP 2.6 BN
GROUP OPERATING EXPENSES	EGP 1.6 BN
GROUP NET PROFIT AFTER TAX AND MINORITY	EGP 538 MN
TOTAL ASSETS	EGP 75.7 BN
SHAREHOLDERS EQUITY	EGP 9.2 BN
SHARE PRICE	EGP 15.41
MARKET CAPITALIZATION	EGP 8.8 BN
ASSET UNDER MANAGEMENT	USD 3.8 BN
IN PRIVATE EQUITY	USD 0.8 BN
IN ASSET MANAGEMENT	USD 3.1 BN
EQUITY RAISING	USD 17.5 BN
M&A TRANSACTIONS	USD 53.3 BN

The Investment Bank



Securities Brokerage

EFG Hermes' Securities Brokerage is the leading brokerage house in the Arab world. With the region's largest brokerage team, the division caters to an extended spectrum of investors including foreign, local and Gulf institutions as well as individual, VIP, high-net-worth individuals and family offices. The division's brokerage products and services are complemented by custody services for retail and institutional clients, fundamental and technical research products and an ATM facility for Egyptian retail investors. Furthermore, the division is accredited for its regional corporate access as it organizes a series of well-attended conferences providing investors and corporations with valuable networking opportunities.



Investment Banking

EFG Hermes Investment Banking is the Arab world's advisor of choice for major M&A, debt and equity transactions. The division's highly experienced team of investment professionals have advised on some of the largest cross-border transactions in the region through a distribution network that encompasses more than 102,000 investors across North America, Europe, the Middle East and Africa.

INVESTMENT BANKING	
EQUITY RAISED	USD 17.5 BN
M&A	USD 53.3 BN
DEBT TRANSACTIONS	USD 4.3 BN



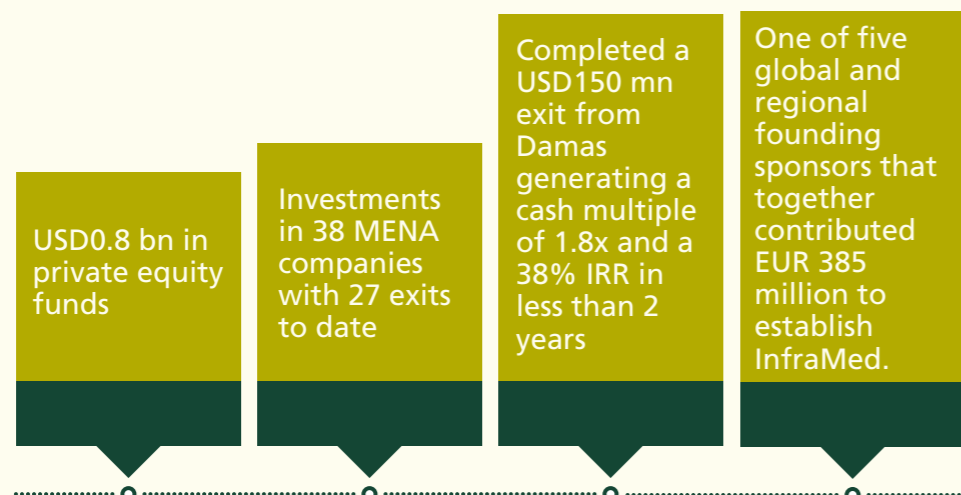
Asset Management

The leading asset manager in the Arab world, EFG Hermes Asset Management serves a client base that includes family offices, endowments, foundations, multinational corporations and governments. The Asset Management team is comprised of experienced professionals with decades of experience in the region's markets. The team manages funds and discretionary portfolios, with both country specific and regional mandates. The division's product offering includes conventional and Shariah absolute return strategies, across all asset classes.



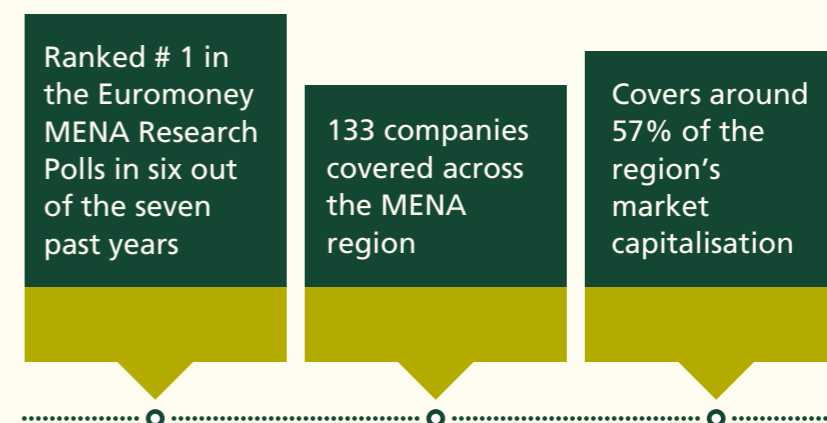
Private Equity

EFG Hermes Private Equity is a world-class private equity house, with a well-established, on-the-ground presence in Cairo and Dubai. In addition, by leveraging EFG Hermes' client network and geographic footprint, the division's reach now spans the Arab world, Africa and Europe. The experienced investment professionals of the Private Equity team focus on attractive investment opportunities that capitalise on the particular strengths of the region. EFG Hermes Private Equity advises InfraMed, the largest investment vehicle dedicated to infrastructure investments in the Southern and Eastern Mediterranean.



Research

EFG Hermes award-winning Research division offers its clients unparalleled coverage of MENA markets. The team offers in-depth economics and strategy coverage of 11 key countries in the Arab world. Products include equity research, strategy and macro notes, sector overviews, economic notes, industrial research and country-specific economic and banking data reports. Our team has more than 220 years of cumulative experience and more analysts on-the-ground than any other MENA research team.



The Commercial Bank

Crédit Libanais is a leading Lebanese commercial bank, with nearly 290,000 customers from Lebanon and Cyprus to Senegal and Bahrain. The bank offers a full range of commercial banking products, including retail banking, a variety of checking and savings accounts, debit and credit cards, personal loans and commercial retail loans, insurance, corporate banking, international banking services, markets coverage, SME banking, private banking and asset management.

AWARDS RECEIVED IN 2014

- 🏆 Egypt Asset Manager of the Year - MENA FM Awards
- 🏆 Arab Investment Bank Money Market Fund – Best Money Market Fund, MENA FM Awards
- 🏆 The MENA Opportunities Fund – Best Hedge Fund, MENA FM Awards
- 🏆 Best Qatar Equity Fund (Al Waseela Fund – F Class) – MENA FM Awards
- 🏆 Most Innovative Investment Bank in the Middle East – The Banker
- 🏆 Best Securities Brokerage House in Kuwait 2014 – Global Brands Magazine
- 🏆 Best Broker in Egypt, KSA – Global Investor/isf Awards
- 🏆 Best Broker in Egypt – EMEA Finance’s African Banking Awards
- 🏆 Best Asset Manager in Egypt 2014 – EMEA Finance’s African Banking Awards
- 🏆 Top Performing Money Market Fund in Egypt in 2013 – Thomson Reuters MENA Asset Management Awards
- 🏆 Top Performing Equity Fund in Saudi Arabia in 2013 – Thomson Reuters MENA Asset Management Awards
- 🏆 Top Performing Equity Fund in Qatar in 2013 – Thomson Reuters MENA Asset Management Awards
- 🏆 Top Performing Equity Fund in Egypt in 2013 – Thomson Reuters MENA Asset Management Awards
- 🏆 Top Performing MENA Equity Fund in 2013 – Thomson Reuters MENA Asset Management Awards
- 🏆 Best Asset Manager UAE – Global Banking & Finance Awards
- 🏆 Best Asset Manager Saudi Arabia 2014 – Global Banking & Finance Awards
- 🏆 Best Research House by sector/ Transport & Shipping – Euromoney Middle East Research Poll

AWARDS RECEIVED IN 2013

- 🏆 Best Research House by sector/ Pharmaceuticals – Euromoney Middle East Research Poll
- 🏆 Best Research House by sector/ Airlines & Aviation – Euromoney Middle East Research Poll
- 🏆 Best Research House in Strategy – Euromoney Middle East Research Poll
- 🏆 Best Broker in Egypt – EMEA Finance’s African Banking Awards
- 🏆 Best Broker in Kuwait – EMEA Finance’s Middle East Banking Awards
- 🏆 Best Brokerage House in Egypt, KSA and Oman – Global Investor/isf Middle East Awards
- 🏆 Best Investment Bank in Egypt – Euromoney Awards for Excellence
- 🏆 Best Research Provider Overall 2013 – Euromoney Middle East Research Poll
- 🏆 Pan-Africa Award for Corporate Social Responsibility – EMEA Finance’s African Banking Awards
- 🏆 Best Asset Manager in Egypt – EMEA Finance’s African Banking Awards
- 🏆 Gold Medal for corporate social responsibility in the MENA region from Tatweej Academy





Our Values



OUR VISION

We will strive to strengthen our position as the MENA region's leading investment firm and to expand our reach beyond current borders. Drawing on more than three decades of commitment to excellence, we have built a track record of integrity, commitment, leadership and value creation that has earned us a wide recognition as regional pioneers.

These values are deeply rooted in our talented professionals led by our world-class management team, who together work day in, day out to deliver innovative and global-quality products and services that consistently meet the needs of our diversified client base. Every day, we leverage our financial expertise and our direct presence in MENA's most compelling markets to stay at the forefront of the region's financial industry, ensuring long-term growth of our firm — and creating both career opportunities and financial rewards to our people.

We will remain the benchmark for our industry in the MENA world and beyond as we deliver strong group profitability. We are driven by our sense of public responsibility as we create sustainable value for all our stakeholders and the communities in which we do business.

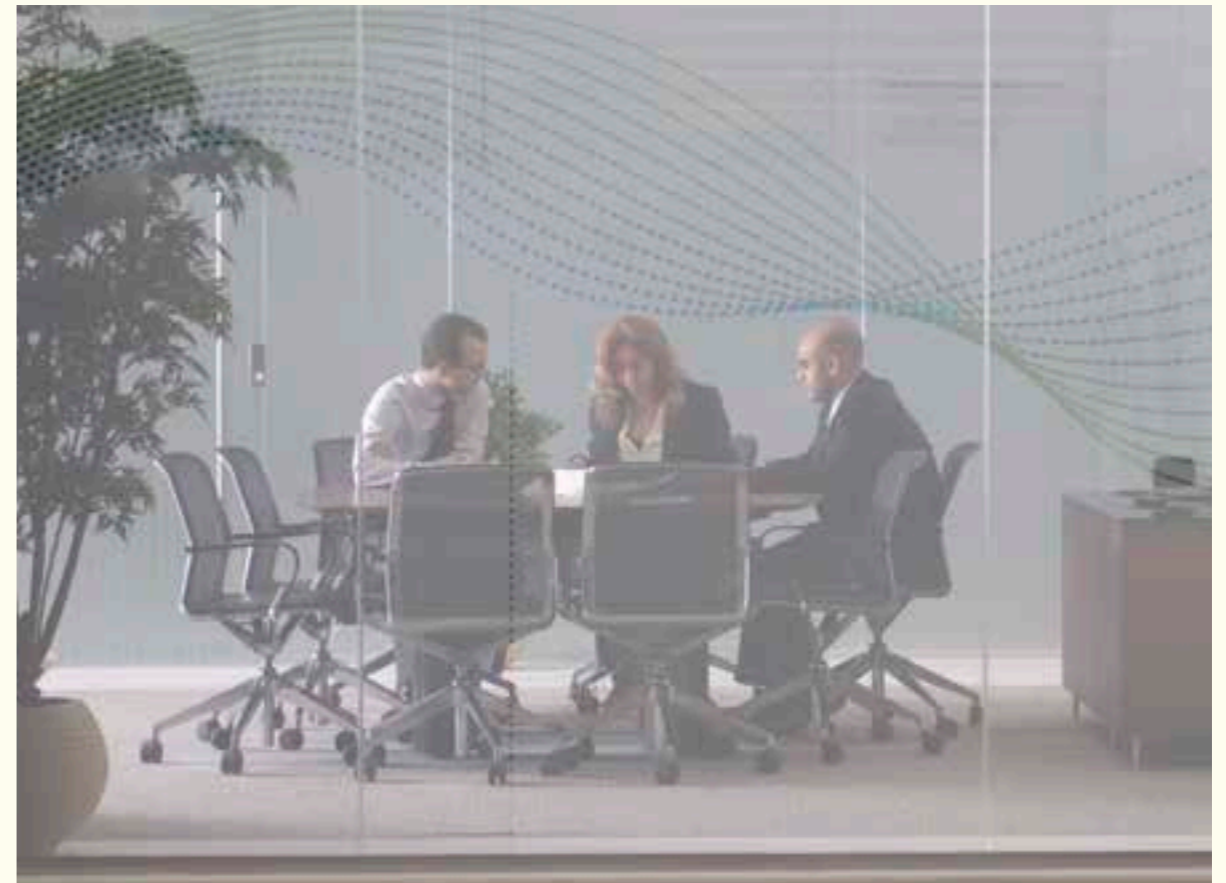
The Six Ps:

- People
- Products
- Positioning
- Presence
- Profitability
- Public Responsibility

OUR CORE IDEOLOGY

Solid values have been central to EFG Hermes' success since our founding in 1984. We aim to nurture a culture of inclusion built on our values and vision that will inform all aspects of how we do business across the MENA region and beyond. At EFG Hermes, we:

- Strive to operate with integrity in everything we do, aspiring to transparency and adhering to global best practices in corporate governance;
- Take a broad view of leadership, fostering talent at all levels of the Firm who lead the market by example and capitalize on the brand equity created by a winning team to diversify our business and expand our footprint;
- Maintain a sharp focus on recognizing and capturing opportunities to sustainably create value for all our stakeholders;
- Make our commitments to these principles of integrity, leadership and value creation universal to all our stakeholders, from our clients and our employees to the communities in which we do business.



COMMITMENT

We make and deliver on our commitments to all our stakeholders willingly and with dedication, viewing them not as malleable or replaceable, but with an absolute promise to follow through. We do not enter commitments lightly, but with full awareness that we have a fiduciary duty to clients who entrust us with their financial futures, individual and institutional alike

LEADERSHIP

Our leaders are people who guide others toward a goal or on a path through compelling vision, talent, people skills, professional will and the ability to demonstrate by personal example. Leadership may take many forms: it may be quiet or bold, based on talent or skill. But in all cases, our leaders empower others and foster creativity. We grow leaders the same way we grow our teams: by promotion from within.

OUR VALUES

INTEGRITY

Integrity is built on moral and ethical choices made on a daily basis to operate and deal with others on the basis of honesty, truthfulness and authenticity. Integrity is the fundamental value on which our business is built and the foundation of our relationships with our stakeholders. It is what leads our clients to trust us to provide advice, manage and invest their funds, and execute their transactions; it is what leads our staff members to believe in us; it is what leads our communities to value us.

VALUE CREATION

Value creation is fundamentally a commitment to adding value and contributing effectively to the end goals of our clients, colleagues and communities. Our ability to create or unlock value is the fundamental reason we are engaged and our reason for being as an organization and informs every decision we make across all of our lines of business and support functions, for all of our stakeholders, whether we are serving external clients or internal counterparts.





DELIVERING ON OUR VALUES



COMMITMENT TO SUSTAINABILITY

Introduction

EFG Hermes' guiding strategy has always been firmly rooted in the adherence to five core principles: People, Products, Positioning, Presence and Profitability which have helped the Firm achieve its goals and maintain its status as the leading investment bank in the region.

We have always held the belief that firms such as ours cannot thrive if they do not fully understand their role in society and in the communities that they serve. Accordingly, we have always placed high importance on citizenship by providing considerable resources to our citizenship efforts undertaken by the EFG Hermes Foundation.

Our Social Purpose:
We are committed to leveraging our financial expertise and capitalizing on our human talent to create sustainable value for our stakeholders and the communities we serve.



As our citizenship initiatives matured, however, we realized that they were not enough. We came to the conclusion that we could only continue to provide value for our stakeholders by integrating sustainability across our operations. This realization has led us to introduce a sixth strategic guiding principle: Public Responsibility.

This principle dictates that EFG Hermes must strive to create value for its stakeholders, instil sustainability across business functions, and ensure that the creation of corporate value does not come at the expense of society, the environment, or the economy of the nations in which it does business.

As a first step, we have articulated our Social Purpose and are committed to developing and implementing a number of policies to introduce an internal culture of sustainability, and to work with our local and international communities to achieve sustainable growth and development.



The Corporate Sustainability Committee

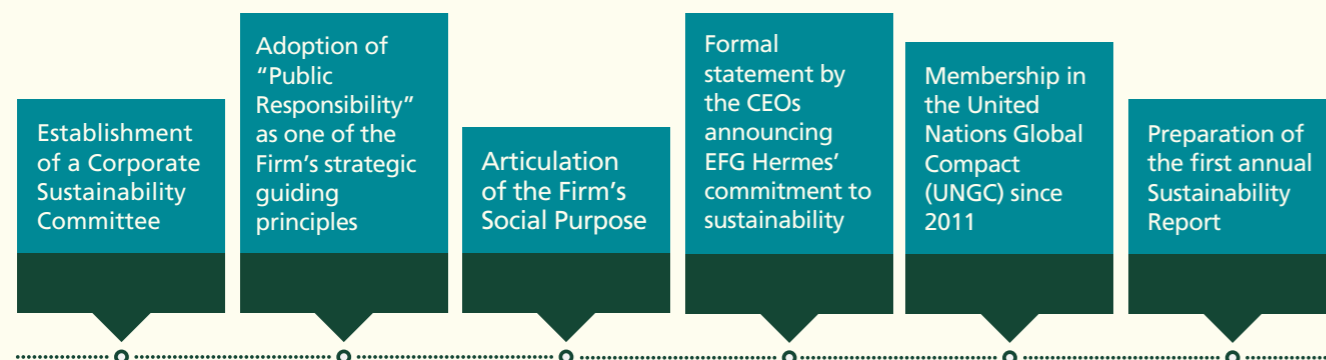
The process of developing a sustainable strategy begins at the corporate governance level and hinges on clear guidelines, practical and implementable policies, constant monitoring of implementation, and ensuring accurate and regular transparent reporting. These are the primary functions of the newly formed Corporate Sustainability Committee (CSC).

The CSC will set targets and draw up procedures that must be implemented across all lines of business and community engagement initiatives in addition to practices that gauge compliance with sustainable policies. It is also the responsibility of the committee to communicate these goals through training and educational programs.

The CSC will also develop systems to accurately measure the implementation process and ensure transparent and accountable reporting. This feedback loop will afford our Firm with the ability to assess the efficacy of sustainable practices, adapt and react timely to correct any deviation from goals set out by the committee.

The committee fosters a culture of openness and dialogue in order to ensure the full commitment and engagement of all EFG Hermes stakeholders (investors, shareholders, employees, regulators, suppliers, community) in the design, adoption and promotion of the sustainability programme. Every employee at EFG Hermes will be encouraged to give recommendations on how the organization can further integrate sustainability in its culture and day-to-day operations.

It is not only critical to ensure the integration of sustainable practices into the internal daily workings of the Firm, but to incorporate them in to the business model. The CSC will work closely with department heads to develop policies to integrate sustainability into all aspects of the business.



United Nations Global Compact (UNGC)

For the last three years, EFG Hermes has been a member of the United Nations Global Compact (UNGC) initiative, a forum that aims to synergize efforts of member companies and organizations from all over the world in support of the UNGC's 10 principles with respect to human rights, labour, environment and anti-corruption. Member corporations are required to prepare an annual communication on progress (COP) report that identifies how their business aligns with the UNGC's 10 principles.

Sustainability Reporting

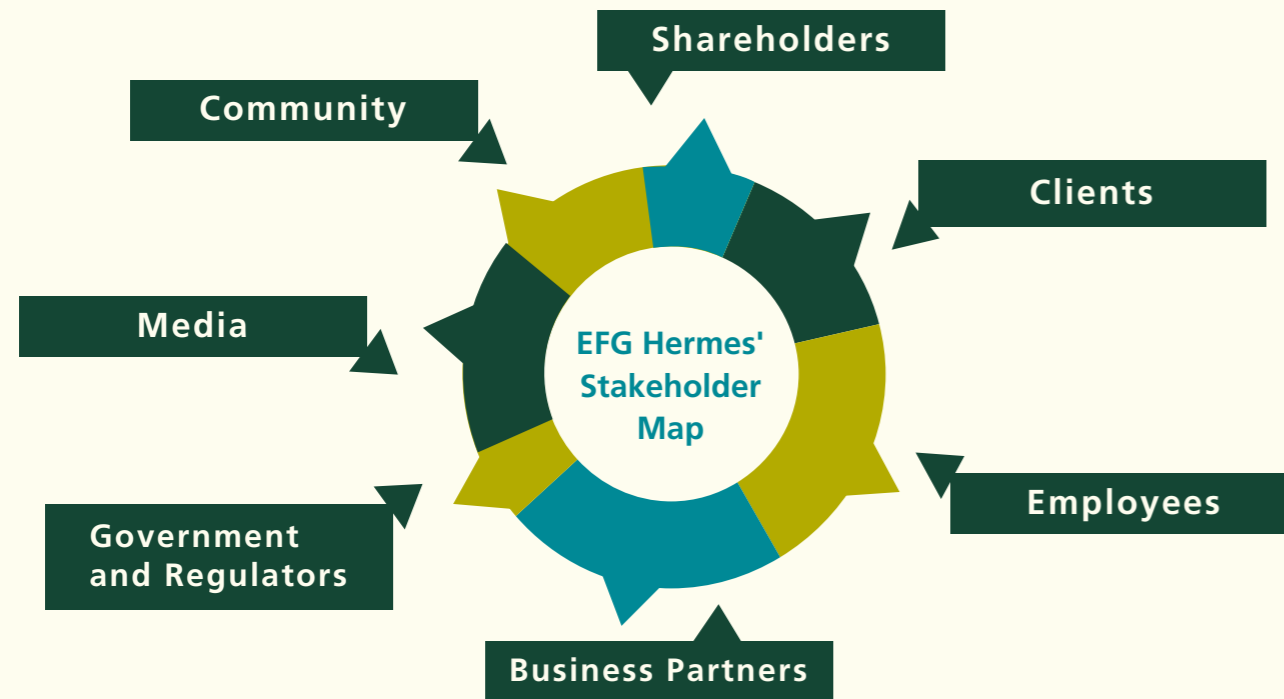
As part of the Firm's commitment to sustainability, we have prepared a road map for sustainability reporting. EFG Hermes is committed to issuing annual sustainability reports in conjunction with its Annual Reports.

Corporate Sustainability Committee

SUSTAINABILITY GOALS	ACTIVITIES (2015)
Establish a procedure for sustainability reporting	-Release of first annual sustainability report in April 2015 -Develop content to be included in the 2015 Sustainability Report (to be distributed to shareholders in March 2016)
CONTINUE MEMBERSHIP IN THE UNGC	SUBMIT UNGC COP FOR 2014
Develop policies and procedures that integrate sustainability across all business lines and activities	-Conduct internal meetings to map out sustainability needs in terms of policies and procedures -Work with business lines and departments to develop sustainability Key Performance Indicators (KPIs)

Stakeholder Engagement

EFG Hermes' success and sustainability hinges on the satisfaction and cooperation of its stakeholders. Without a clear understanding of our stakeholders' needs, we cannot hope to fulfill their expectation and maintain our position of leadership in the region. By maintaining high levels of both formal and informal engagement with our stakeholders and seeking feedback from them, we acquire the in-depth knowledge necessary to ensure that our products and actions generate the most impact and are in tune with stakeholder needs.



Shareholders

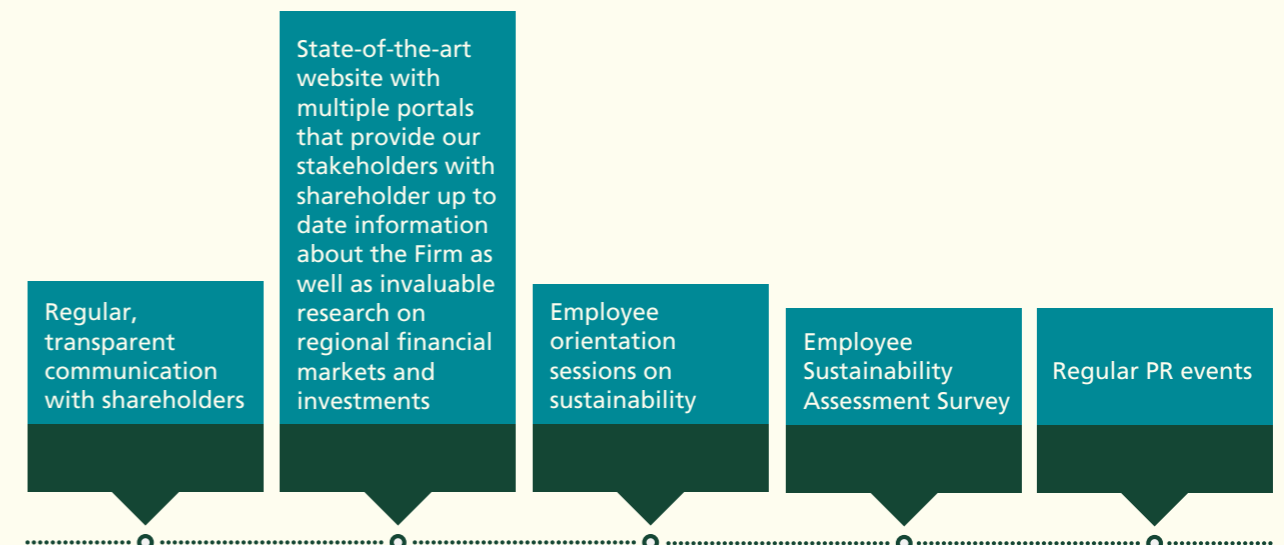
Our shareholders are the backbone of our institution. EFG Hermes can only progress with the support and satisfaction of its shareholders. We strive to provide competitively high returns and capital growth through ethical and sustainable management in the best interest of our shareholders. We have a strong compliance risk mitigation culture in place and our operations are in line with corporate governance best practices. Our annual general meetings enhance transparency and provide us with valuable input from our shareholders. We make sure to engage in dialogue with both potential and existing shareholders through regular meetings, calls and conferences. Our periodic financial and Board of Directors' reports provide clear information about the business' performance and maintain open and transparent lines of communication with our shareholders. In addition, we provide easy access to up-to-date financial and corporate information on our website in addition to presentations and publications sent directly to our shareholders.

Clients

As a financial services institution, EFG Hermes considers the trust of its clients as its most valuable asset. The Firm's leading position in the financial services sector is a testament to enduring commitment to providing the best-in-class products and services and high quality customer services. We keep our clients informed through our automated execution-confirmation system and quarterly account statements and by providing regular updates on regulatory amendments.

The Firm's research arm has been and continues to be the regional market leader in supplying our clients with data critical to their financial wellbeing. We maintain client trust through our stringent adherence to confidentiality and our fair and equitable treatment of all of our clients. On the brokerage side, we have instituted a comprehensive customer relationship management (CRM) system designed to streamline the client experience and ensure seamless continuity in all transactions.

Clients





Employees

EFG Hermes is only as effective and successful as its employees. As they are the engines of our success, our position as market leaders rests on their talents and capabilities. It is management's role and duty to ensure that our human capital functions in the best possible environment and to ensure that all our employees' needs are met. This is achieved by ensuring competitive pay and benefits in addition to providing job security and ample opportunities for personal and professional development as a gateway to career advancement.

The past few years have been turbulent for our Firm and for the region. While this has undoubtedly had an effect on employee well-being, we are confident that the worst is behind us and look forward to enhancing our team spirit both by boosting employee morale and by bringing in new blood to enrich our operations and capabilities.

Part of our sustainability drive is to make sure that all employees understand the concept of sustainability and are on board with the commitments necessary. We have started an extensive employee orientation programme on a company-wide basis and have also administered a Sustainability Assessment Survey to elicit employee feedback on sustainability issues and ensure buy-in from all parties. In addition, the first Quarterly Employee Sustainability Competition was launched to increase employee engagement with sustainability. Employees will develop and submit sustainability activities or ideas and the Corporate Sustainability Committee will select winning projects for implementation and award prizes.

Ensuring a safe and healthy workplace is paramount to the daily operations of the Firm. As such our workplace is smoke-free, hygienic and, more importantly, relies on provisions and contingencies in the event of emergencies. Furthermore, our code of conduct ensures fair employment opportunities, commitment to diversity and protection against all forms of discrimination and harassment with an open channel of communications between employees and management whereby grievances and policies are discussed (for details, see Human Capital section).



Community

EFG Hermes strives to be a responsible corporate citizen by utilizing its expertise to engage with the communities in which it does business and benefit them.

The Firm employs the highest ethical standards when conducting business and ensures that its financial operations do not exploit society through its commitment to responsible investing and human rights. As an economic leader, EFG Hermes leverages its position to achieve sustainable economic growth by striving to invest and reinvest in the communities in which we do business.

As such, whenever possible, the Firm will gear its financial resources towards projects that generate returns to the community at large. This includes ensuring that its expansions reap rewards for the community in the form of job creation and training. Furthermore, the Firm incorporates and projects the effects of its investments on the community on every level of its operations, beginning with its decision-making bodies, down to its most basic functionaries.

EFG Hermes strives to constantly communicate its ideals, goals and plans to the community. The Firm runs extensive integrated development programs that target poverty alleviation, disease prevention and youth empowerment through the EFG Hermes Foundation. EFG Hermes also promotes social responsibility amongst its employees and strives to engage with other members of the financial community by partnering on projects that improve financial awareness and contribute to the overall transparency and accountability of the financial services sector (for details, see Community Stewardship section).



Government and Regulators

In order to ensure compliance throughout the Firm's activities, it is vital that EFG Hermes maintain an honest and open relationship with regional governments and regulators. Hence, the Firm provides timely, transparent and regular reporting as per the requirements of regulators within each country of operation. Furthermore, the Firm has established an independent Audit and Risk Committee as part of an extensive system that aims to ensure effective compliance and risk management. The Firm also adheres to all its legal responsibilities by guaranteeing timely payment of taxes and obtaining of regulatory licenses and authorizations (for details: see Integrity section).



Business Partners

To ensure the continuation of our excellent services and products, EFG Hermes maintains strong working relationships based on mutual trust and respect with its business partners.

We pride ourselves on our ability to forge thriving and mutually beneficial long-term associations by guaranteeing our loyalty to our business partners, ensuring their fair and equal treatment and forecasting and anticipating their needs.



EFG Hermes strives to keep regional and global media engaged by offering them the tools that will help them to honour their obligation to provide fair, unbiased reporting about our activities and performance.

Stakeholder Engagement

SUSTAINABILITY GOALS	ACTIVITIES (2015)
Ensure that shareholders and clients share EFG Hermes' vision of sustainability as an integral part of the Firm's future	<ul style="list-style-type: none"> -Highlight sustainability commitment on the EFG Hermes website -Develop a presentation for shareholders and clients highlighting the Firm's commitment to sustainability
Secure employee support for sustainability initiatives and commitments	<ul style="list-style-type: none"> -Conduct additional employee sustainability orientation sessions -Administer the Quarterly Employee Sustainability Competition -Introduce mandatory sustainability training for all employees
Develop policies and procedures that integrate sustainability across all business lines and activities	<ul style="list-style-type: none"> -Continue to provide transparent, timely communication with business partners and the media

VALUE CREATION

Introduction

For EFG Hermes, adopting Public Responsibility as one of our core strategic principles translates to balancing the needs of all our stakeholders and ensuring that our mandate of creating value for our shareholders and clients does not come at the cost of the environment or society. We believe that sustainable, long-term economic growth requires a holistic approach that addresses environmental and social challenges as well as financial considerations. Integrating sustainability parameters into our investment models is key in ensuring our long-term status as the leading investment firm in the MENA region.

Growth Strategy

Starting in May 2013, EFG Hermes management embarked on an aggressive restructuring plan designed to increase financial strength and weather the volatile regional developments. The restructuring involved cost optimization, sale of non-core assets, return of cash to shareholders, and a full balance sheet clean-up. This restructuring coupled with a rebound in regional markets, has seen EFG Hermes return to profitability in 2014 and we look forward to achieving pre-revolution levels of profitability in the coming years.

The next phase of management's strategy involves growing the business and creating value for our shareholders in the coming period. This strategy hinges on a number of key objectives:

Increase Regional operations

In 2014, we started a drive to increase our regional footprint and were involved in several exciting transactions throughout the region including the three most important IPOs in Dubai and several highly successful transactions on the private equity front. The Private Equity division reasserted itself as a regional player with deals such as the sale of its stake in Damas International Limited to Qatar's Mannai Corporation QSC and the USD 208 million acquisition of a 49% equity shareholding and outstanding shareholders loans in EDPR France, a subsidiary of EDP Renewables (EDPR) one of the top four global renewable energy companies.

In 2015, we look forward to continuing our expansion on the regional level, particularly Saudi Arabia and the United Arab Emirates and cementing EFG Hermes' reputation as a force to be reckoned with in our highly competitive industry.



🌿 Maintain leadership position in Egypt

In our home market, we are proud of our prominent involvement in the first IPO in Egypt since 2010. Our Securities Brokerage team acted as bookrunner and our Investment Banking team was global coordinator on the heavily over-subscribed USD 110 million IPO of the Arabian Cement Company. We also participated in a number of rights issues for major listed companies, including Palm Hills Developments and SODIC and witnessed the resurgence of global investor interest in both Egypt and in EFG Hermes. In 2015, we hope to continue identifying and participating in exciting transactions and compelling investments.

🌿 Diversify product range

A primary goal for 2015 is to diversify our product offering and we plan to launch a leasing business to complement our existing divisions. This greenfield venture was approved by the board in 2014 and a business plan and experienced managing director are in place and prepared to launch.

🌿 Strengthen internal operations

The restructuring effort in 2013 has meant that EFG Hermes is now a lean, powerful organization. Given the positive outlook for 2015, we look forward to bringing in new blood to augment our team after the hiring freeze of the last few years. We also hope to reaffirm our commitment to the professional development of our talented employees by enhancing our training and employee education initiatives and resuming our investment course which was put on hold during the volatility of this past period.

A key aspect of our effort to strengthen our internal operations is our commitment to sustainability. We will continue to integrate sustainability considerations at all levels of operation and make sure to balance the needs of all our stakeholders and ensure that our mandate of creating value for our shareholders and clients does not come at the cost of the environment or society.

🌿 Responsible Investing

EFG Hermes is uniquely placed to leverage its experience, acumen and business talent to identify projects that are not only environmentally and socially sustainable but also commercially attractive. The critical goal is to strike a balance between the needs of shareholders and investors looking for financial returns and other stakeholders within the community.

EFG Hermes is highly committed to promoting innovation, especially in the areas of renewable and clean energy and has recently invested in three landmark projects with significant environmental and social returns in addition to being highly rewarding financially. Through its investment in a top 5 global renewable energy player, the Firm has increased its exposure to the latest technological advancements for developing more energy-efficient wind turbine generators, and enabling them to produce more efficiently, economically and safely. EFG Hermes will continue to promote energy efficiency and the rational use of energy and promote knowledge and the dissemination of good practices in the environmental field.

EFG Hermes is also investigating the requirements necessary to become a signatory to the United Nations-supported Principles for Responsible Investment (PRI) Initiative. The PRI Initiative is spearheaded by an international network of investors that has developed 6 Principles designed to help signatories understand the materiality of environmental, social and corporate governance (ESG) issues when making investment decisions.

The PRI Initiative has quickly become the leading global network for investors to publicly demonstrate their commitment to responsible investment, to collaborate and learn with their peers about the financial and investment implications of ESG issues, and to incorporate these factors into their investment decision-making and ownership practices.

EFG Hermes is also a member of the Private Equity Growth Capital Council which has recently outlined guidelines for responsible investment developed in collaboration with the UNPRI.

Going forward, we will also be integrating sustainability reporting into the requirements we ask of our investment banking clients in order to identify projects that are environmentally and socially sustainable as well as profitable. If our clients are not capable of reporting on sustainability, we are willing to provide them with consultants to put them in the right track.

Our Achievements...

Ranked # 1 in the Euromoney MENA Research Polls in six out of the seven past years
133 companies covered across the MENA region
Covers around 61% of the region's market capitalisation

Percentage of private equity assets under management in responsible investments is 27% (unaudited figure)



THE 6 PRINCIPLES

As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and corporate governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes, and through time). We also recognise that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

VALUE CREATION

SUSTAINABILITY GOALS	ACTIVITIES (2015)
Become a signatory of UNPRI by 2016	<ul style="list-style-type: none"> -Ensure that the 6 Principles are incorporated into the forthcoming ESG Policy -Promote acceptance and implementation within the private equity and investment banking departments -Report on progress of team in preparing to adopt the 6 Principles
Increase investment in sustainable initiatives	<ul style="list-style-type: none"> -Integrate sustainability reporting into requirements for investment banking clients



THE EGYPTIAN REFINING COMPANY (ERC), EGYPT

The Egyptian Refining Company, one of the largest oil and gas projects in Egypt and the region, is an example of public-private partnership that addresses a critical economic need while simultaneously giving rise to considerable social and environmental benefits. EFG Hermes, via InfraMed Infrastructure Fund, has invested USD 100 million in ERC.

ERC is a US\$ 3.7 billion state-of-the-art refinery in the Greater Cairo area that will reduce Egypt's present-day diesel imports by more than half, and produce over 4.2 million tons of refined products and high-quality oil derivatives per year including 3 million tons of jet fuel and Euro V diesel (the cleanest-burning diesel fuel in the world). ERC's operations will eliminate approximately 93,000 tons of sulfur emissions annually and reduce by 29.1% the amount of SO₂ currently emitted in Egypt from burning sulfur-containing fuels (fuel oil and diesel).

Additionally, ERC will produce 700,000 tons of octane-rich petrol fuel that represents more than 70% of Egypt's current imported volume. ERC will also lead to an estimated US\$ 300 million in annual savings and revenues to state coffers, as its contractual agreement states that the Egyptian General Petroleum Corporation (EGPC) will purchase all of ERC's production of high-quality fuel products.

An Environmental/Social Impact Assessment (ESIA) was undertaken to international IFC standards to minimize negative project impacts and adjustments made to the design. Effluent will be subject to three stages of treatment — the third biological — meeting the highest international discharge standards. Furthermore, producing in Greater Cairo, which is the largest market for oil and gas products in Egypt, reduces greenhouse gas emissions associated with transportation as well as transportation loss which is a common problem associated with the transportation and storage of petroleum products.

The project will also create 700 permanent jobs and an additional 10,000 during the construction phase. Training will be provided for over 2,000 community members at the Welding Training Center. To date, 420 welders, 100 pipe fitters and 55 mechanical and electrical technicians have completed training. Another 45 members from the community have received computer training qualifying them for the International Computer Driving License. A number of strategic community upgrading projects will also be undertaken based on a needs assessment. ERC has already refurbished a school that will benefit 4,000 students from the local community.



VORTEX ENERGY

In its vision to promote sustainable energy, innovation, respect for the environment, and realize its strategy of investing in operational infrastructure, EFG Hermes Holding, via Vortex Energy, a managed investment vehicle, has closed a USD 208 million transaction to acquire a 49% equity stake in EDPR France's operational wind energy portfolio, encompassing 33 wind farms with a total capacity of 334MW, in France. EDPR is one of the top four global renewable energy companies which develops, constructs, and operates renewable energy assets with over 8.6 GW of installed capacity across three continents. Under the terms of the agreement, EFG Hermes' private equity arm will manage the investment vehicle, while EDPR France will retain operational control over the acquired assets. Vortex has been funded mainly by GCC investors and long term project finance from European banks.

This landmark investment marks EFG Hermes' first investment beyond the borders of the Middle East and Africa and the first in Europe. It underscores our interest in infrastructure investments and particularly in the renewable energy sector; with EFG Hermes acting as a catalyst for sustainable development while simultaneously generating attractive returns for its shareholders and co-investors alike.

Through its investment in EDPR, we have completed a modest contribution towards a future of sustainable energy. Renewable energy provided an estimated 19% of global final energy consumption in 2012; of this total share in 2012, modern renewables accounted for approximately 10%, with the remainder coming from traditional biomass. Today, renewable energy is not only seen as a source of energy, but also as a tool to address many other pressing needs, including: improving energy security; reducing the environmental impacts associated with fossil and nuclear energy; mitigating CO₂ emissions; creating jobs and reducing poverty.



TAFILA WIND FARM, JORDAN

Tafila Wind Farm is the first and the largest privately financed wind farm in Jordan pursuant to Jordan's Renewable and Energy Efficiency Law passed in 2010 with the objective to boost Jordan's renewable energy production and decrease the country's reliance on imported fuels. Jordan currently imports 96% of its energy needs, accounting for 20% of its GDP. InfraMed Infrastructure Fund, in which EFG Hermes is a shareholder, is the majority investor in Tafila.

The country has exhibited strong electricity demand growth of more than 5% per year over the past decade. To foster investments in domestic clean energy and to lower the country's energy import bill, Jordan's Ministry of Energy and Mining targets to procure 10% of total energy supply from renewable sources by 2020. In this context, the Government of Jordan has issued 34 MOUs for the development of wind and solar projects in the coming 24-month timeframe. Given the country's attractive landscape for generating significant air pressure flows spanning the world's lowest altitude point at the Dead Sea to elevations as high as 1700m in relatively small concentrated areas, Jordan's wind potential has been ranked as one of the most attractive in the MENA region. Wind energy assessments confirmed very strong wind potential on Tafila's site with wind speeds averaging 7.3 m/s yielding capacity factors as high as 40%.

Tafila is considered a greenfield wind energy project involving significant sustainable development and socio-economic benefits to the country. The investment is also an attractive opportunity to partner with an experienced developer in the largest private wind project in a country with promising renewable energy potential. The deal positions InfraMed well in terms of wider pipeline opportunities, including the Tafila expansion, as well as a number of potential projects in other target countries such as Libya.



LEADERSHIP

Introduction

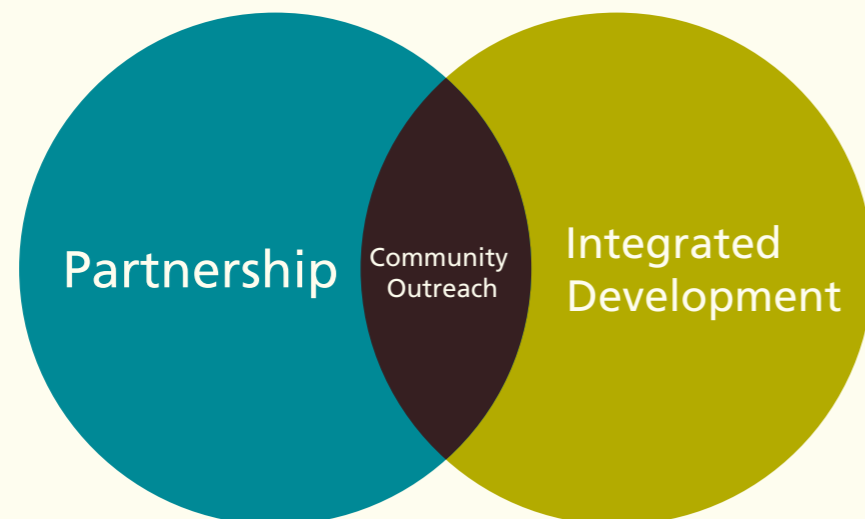
At EFG Hermes we strive to lead in all areas within our sphere of influence by creating value for our clients, considering the impact of our actions and investments and judiciously managing our resources and assets, both human and material.

Community Stewardship

At EFG Hermes, we take pride in our contribution to the communities in which we operate. The adoption of Public Responsibility as a core strategic principle is an extension both of our development work through the EFG Hermes Foundation and our engagement with local and regional financial sector communities in our capacity as the leading investment bank in the region.

Our approach to community stewardship is based on three main tenets. We aim for maximum impact by adopting an integrated development approach that relies on partnership to maximize resources and ensure broad and lasting impact. Throughout the project development and funding cycle, our focus is steadfast on achieving the maximum sustainable impact not only by investing our resources wisely, but also by proactively engaging the affected communities in each project. We do this by collaborating with existing community leaders at early stages of project planning and fully involving them in decision-making processes.

We also promote community outreach and encourage our employees to be socially responsible and engage with the world around them and to use their skills in developing innovative solutions that advance broad-based, sustainable development and contribute to creating vibrant, flourishing communities.

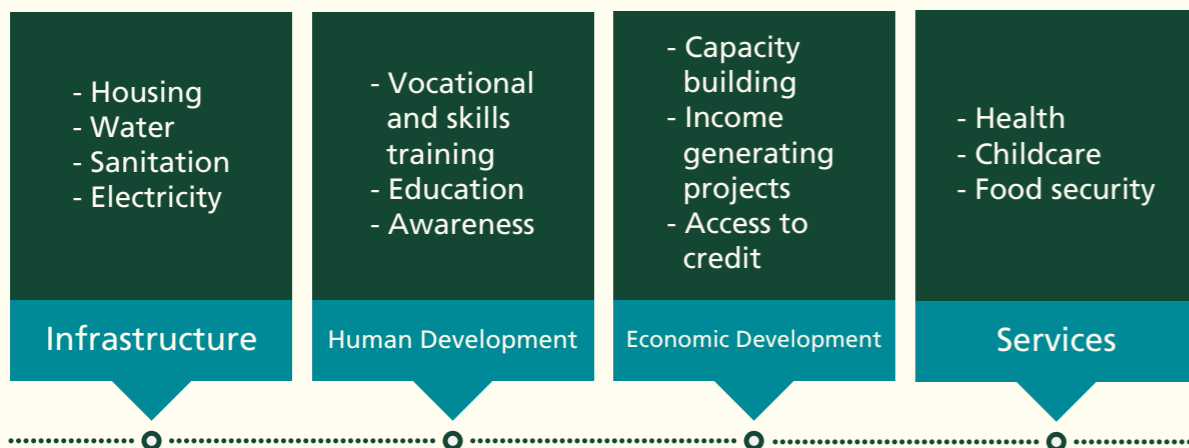


The EFG Hermes Foundation

Founded in 2006 as an independent, non-profit, non-governmental organization, the EFG Hermes Foundation's mandate is to assist people and institutions overcome the financial, educational and health-related challenges facing society by supporting innovative and sustainable high-impact programs that increase the opportunities of those most in need.

Integrated Development: The EFG Hermes Foundation Approach

Development projects in Egypt usually focus on a particular sector such as education or sanitation. The EFG Hermes Foundation's integrated development approach is both ambitious and unique. It involves the rehabilitation of entire communities starting with infrastructure development and encompassing comprehensive economic and human development initiatives, as well as access to a variety of services. The objective of this dynamic, multi-dimensional approach is to empower the community and reduce poverty and not just make people more comfortable in their poverty by simply providing aid.



This approach was developed and successfully applied in the Beni Sweif village of Ezbet Yacoub under the Ro'ya Project (see Box). Unfortunately, the turmoil in the region over the past four years has meant that we have had to limit our programme and focus on projects with immediate impact. Given the positive outlook for 2015, however, we intend to resume our focus on integrated development projects. Subject to the overall performance of the Firm, up to EGP 50 million has been allocated to the EFG Hermes Foundation for activities from 2015-2018 with EGP 12.5 million/year to be dedicated to integrated development projects.

The Foundation has identified Qena and Sohag for the implementation of integrated development projects. Qena has 59 and Sohag 250 of the poorest 1000 villages in Egypt. In addition, both governorates have a rich tradition of local handicrafts making development and, subsequently, increased employment opportunities feasible. Al-Makhzan Village Development Project in Qena Governorate (see Box) will start implementation in 2015 and a plan will be developed to identify additional villages.

Partnership

EFG Hermes partners with the most innovative, experienced and passionate individuals and organizations operating in the social development field using the following approach:

- Support creative, passionate and effective individuals and organizations in their efforts to make positive and lasting social impacts.
- Cultivate, support, and finance innovative approaches to assist non-profit organizations and NGOs become more effective and self-sustaining.
- Promote and encourage social entrepreneurs who seek to build growing and sustainable businesses with primary objectives in the area of social and community development.
- Encourage the use of private sector and market-based skills to help achieve social objectives through alliances with the public sector.
- Leverage our expertise and contact network to attract private sector capital to finance innovative community development projects.

Al-Makhzan Village Development Project in Qena Governorate

Al-Makhzan Village development project is a leading example of a high-impact integrated development project that brings together a number of stakeholders in a dynamic partnership. The EFG Hermes Foundation recently signed a Memorandum of Understanding with the Kuwaiti Initiative Group as part of continued joint efforts towards sustainable development. The memorandum embodies an agreement to finance the integrated developmental project of the village of Al-Makhzan, located in Qoos in the Governorate of Qena.

The Kuwaiti Initiative Group has provided 276 thousand Kuwaiti Dinars (approximately 7 million Egyptian Pounds) in donations from the Kuwaiti people to cover the costs of the project which will be implemented under the auspices of the Egyptian Ministry of Social Solidarity.

The Al-Makhzan development project will apply the EFG Foundation's multi-dimensional approach and will involve initiatives in housing, health, education and food supply.

Community Outreach

As part of its commitment to Public Responsibility, EFG Hermes seeks to engage with the communities within its sphere of influence or impact. Outreach initiatives range from financial literacy programs and participation in financial sector trade organisations to engagement with the global community and volunteering initiatives to support community capacity building programmes.

Financial Literacy Programs

Stock Market Tutorial

EFG Hermes is currently developing a tutorial that explains investing basics step-by-step in an effort to help people understand the stock market. It is being developed in-house by an employee on a voluntary basis and will be translated into Arabic and made available online. Regional offices will be able to use it to raise awareness of the stock market among university students in an effort to increase overall financial literacy. In Egypt, the programme will eventually be extended to cover high school students as well. EFG Hermes employees will conduct the training sessions on a voluntary basis. Development of the tutorial is almost complete and it is scheduled to go live first quarter of 2015.



Financial Sector Citizenship

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Engagement with the Global Community

EFG Hermes Foundation employees have attended several conferences and meetings on sustainability and environmental issues, most recently the "Sustainable CSR Strategies and Innovation" conference in Dubai in November, 2014 and the "18th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC)" in Qatar in November, 2012. Other conferences include "Egypt's Business Summit on Climate Change;" CARE Egypt's "Engage Beyond Charity" conference; and "Investing in Egypt's Green Economy 2010," a conference bringing together experts to discuss the social and environmental impact of transitioning to a more environmentally friendly economy and the importance of creating social awareness on environmental issues.

SOCIAL RESPONSIBILITY

In addition to community outreach within the financial services sector, we also organize regular blood donation drives and encourage employees to allocate a monthly cash contribution to the Children's Cancer Hospital 57357 in Egypt.



OUR ACHIEVEMENTS

Over eight years, disbursements in excess of EGP 53 million

Total commitments for Foundation activity 2015-2018: Up to EGP 50 million

**Corporate Social Responsibility (CSR) Awards:
Gold Medal for CSR in the MENA region from Tatweej Academy, 2013**

- Gold Medal for CSR in the MENA region from Tatweej Academy, 2013
- Pan-Africa Award for CSR –EMEA Finance’s African Banking Award, 2013
- GTM/EGX’s “Best Corporate Social Responsibility Award,” 2010

Development of a Financial Literacy Programme

- Initiatives Supported by the EFG Hermes Foundation
- The Ro’ya Project
- Hepatitis C (HCV) & Blood-borne Viruses Awareness and Combat Project
- National Hepatitis B (HBV) University Vaccination and Awareness Campaign
- The MOVE Foundation for Children with Cerebral Palsy (CP)
- The School Meal Programme in cooperation with the United Nations World Food Program
- ENACTUS (formerly Students in Free Enterprise - SIFE)
- Unite for Children in cooperation with UNICEF
- The Youth Sustainability and Viability Fund
- The Habitat Project
- Alwan wa Awtar Community Centre and Non-Formal Education Curriculum
- Orthopaedics Surgery Centre in the Assiut University Faculty of Medicine



COMMUNITY STEWARDSHIP

SUSTAINABILITY GOALS	ACTIVITIES (2015)
Extend the scope of the EFG Hermes Foundation so that it can operate throughout the entire region.	<ul style="list-style-type: none"> - Conduct Foundation orientation sessions in Dubai and Kuwait offices - Continue to network with regional sustainability initiatives
Communicate records of performance and activities to stakeholders.	<ul style="list-style-type: none"> - Raise awareness on employee-led, country-specific community activities - Communicate 2015 achievements internally and externally through the Foundation's website and newsletter
Engage the employees in volunteering initiatives to support community capacity building and financial literacy programs.	<ul style="list-style-type: none"> - Conduct stock market simulator sessions for communities in Egypt, Kuwait and Dubai - Sign the EGX MOU to expand the Stock Market Simulator - Continue regional employees' monthly cash contribution to the Children's Cancer Hospital 57357 in Egypt - Blood Donation Campaign in Egypt, Kuwait and Dubai
Develop and implement integrated development projects	<ul style="list-style-type: none"> - Start initial activities in Al-Makhzan such as building a school and refurbishing village houses - Partner with NGOs and government agencies to develop a capacity building plan for Al-Makhzan - Develop a sanitation plan with the Governorate of Qena - Develop a plan to identify villages in Qena and Sohag targeted for integrated development initiatives

The Road to Integrated Development: Ro'ya

The Ro'ya project was instrumental in crystallizing the EFG Hermes Foundation's development philosophy and illustrates the long-term, sustainable impact possible when integrated development is combined with focused stakeholder engagement and partnership.

Originally, the project was to fund a wastewater treatment plant for the Egyptian village of Gaafar in the governorate of Beni Sweif. The wastewater treatment plant was to be located next to the adjacent village of Ezbet Yacoub at a cost of EGP 800,000.

As part of the proposal appraisal process, EFG Hermes Foundation staff visited the site in November 2007. What they found shocked them. Ezbet Yacoub was little more than a cluster of mud-brick hovels without even the most basic services. The population of 4,000 was mostly composed of the elderly and some young children. Most of the men and youth had left the village and migrated to Beni Sweif City or Cairo in search of employment. Within the village itself there was barely any economic activity. The situation was bleak and hopeless.

It was immediately clear that simply building a wastewater treatment plant was going to have little discernible impact on the quality of life in Ezbet Yacoub. After considerable discussion with the partner NGO, the Gaafar Community Development Association, and Ezbet Yacoub elders, the Foundation decided to re-conceptualize the project based on a simple premise:

Only an integrated, holistic approach to the development of Ezbet Yacoub was going to achieve long-term, sustainable improvement in living standards.

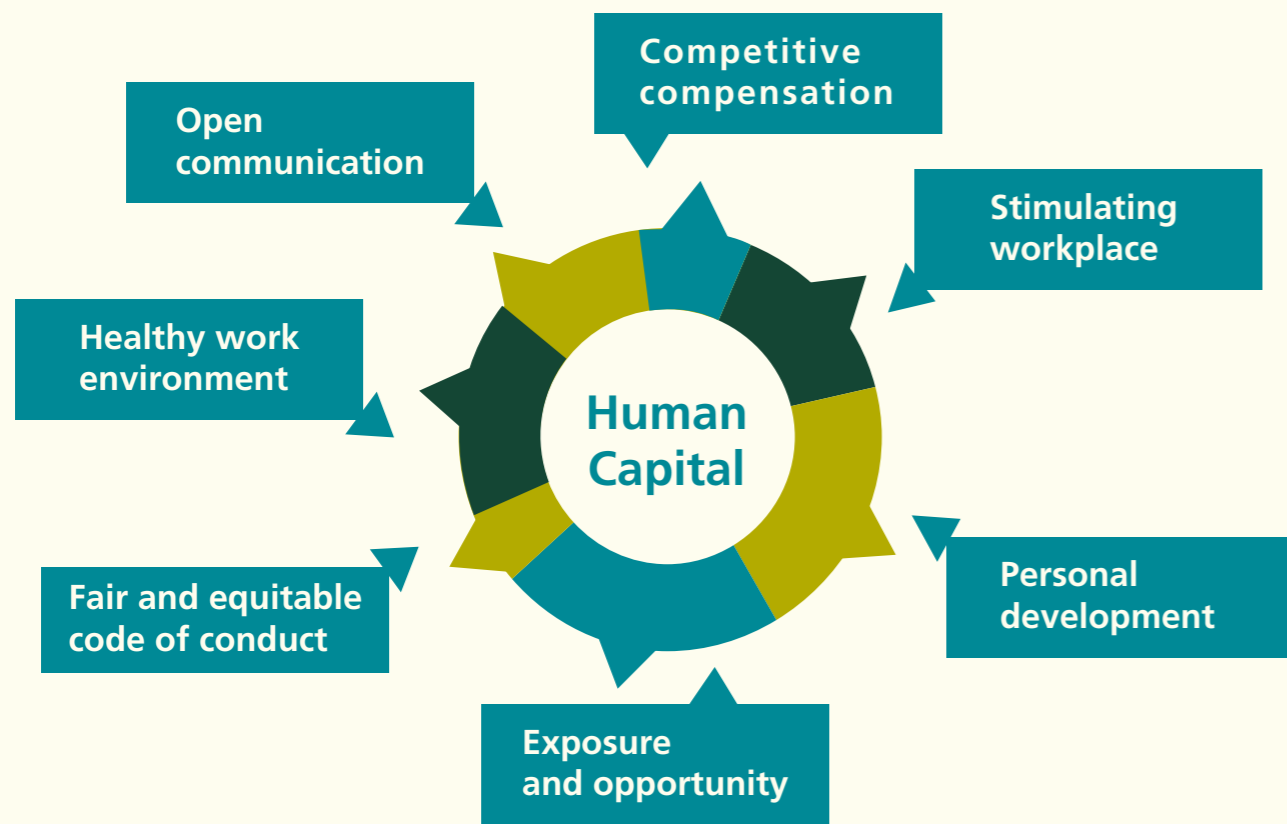
Realizing the potential development impact of the project, the board members of the EFG Hermes Foundation voted unanimously to approve the project at a budget of EGP 17 million which was eventually raised to approximately EGP 27 million to respond to rising costs and additional needs. The project was named Ro'ya and its ambitious goal was to transform Ezbet Yacoub from a derelict, economically defunct rural slum into a vibrant, functioning, and sustainable community using an innovative integrated development approach including: infrastructure development, comprehensive economic and human development initiatives, and access to a variety of basic services.

Implemented over two years, the project was a resounding success going on to win a number of prestigious awards. The success of the integrated development approach adopted by Ro'ya goes beyond simple numbers. Many of the benefits of the project are immeasurable but no less tangible than the bricks and mortar accomplishments. The project awakened a sense of ownership and pride in Ezbet Yacoub residents and it was invaluable in demonstrating how partnerships between the private sector, the government, and civil society can result in innovative, sustainable development initiatives.



HUMAN CAPITAL

To maintain our position of leadership within the MENA region, we understand the importance of attracting and retaining the best talent. EFG Hermes boasts an impressive résumé of human talent from the bottom upwards whose success we consider our success. We have fostered an optimal business culture wherein our employees are highly valued, continuously developed and significantly rewarded.



- Our compensation is highly competitive
- Our economic health is continuous and resilient
- Our workplace is stimulating, advantageous and rewarding
- Our success exposes our employees to unique experiences and creates opportunities they can capitalize on for career progression
- Our workplace is smoke-free, hygienic, and safe because of high standard health policies, fire-fighting systems and evacuation plans
- Our code of conduct ensures fair employment opportunities, commitment to diversity and protection against all forms of discrimination and harassment
- Our centralized electronic portal keeps our employees up to date with company news
- Our policy to prioritize internal hiring when filling vacancies provides our employees with opportunities to grow within the company and capitalizes on available skills

Career Development

The management of EFG Hermes recognizes that, in a dynamic and competitive industry such as investment banking, it is the calibre and quality of its employees that distinguishes EFG Hermes from other banking institutions. EFG Hermes is committed to promoting an environment of training, learning, and continuing professional development for all employees.

The Learning and Development Policy

The EFG Hermes Learning and Development Policy ensures that all employees have equal access to high quality training and development opportunities to promote diversity at all levels in the workforce.

In addition to mandatory training on subjects such as anti-money laundering and fraud prevention, employees are offered general skills training as well as specialized training in particular areas of expertise. The Firm also encourages employees to seek professional certification that cements their expertise in their chosen field; for example, the Firm funds examination costs for those seeking professional certifications such as Chartered Financial Analyst (CFA), Certified Public Accountant (CPA), Certified Management Accountant (CMA), Association of Chartered Certified Accountants (ACCA), and Certified Portfolio Manager (CPM), among others.



OUR ACHIEVEMENTS



The Leadership Development Programme

The Leadership Development Programme is a new flagship development programme introduced in March 2014. It aims to further develop the leadership capabilities of EFG Hermes' frontline managers and to complement their technical expertise. To date, 26 employees have attended this programme, which will run on an annual basis.

The Internal Transfer Process

EFG Hermes seeks to appoint the best-qualified individuals to fill positions on the basis of experience, ability, and skills while simultaneously creating career growth opportunities for existing superior performers. This was a key driver behind cementing the internal transfer process as a key vehicle for career progression and growth; wherever appropriate, vacancies are announced and filled from within the organization by the promotion or transfer of qualified staff.

Benefits

EFG Hermes understands that it is necessary to provide its employees with a supportive environment that understands their needs beyond immediate work requirements.

Medical Benefits

EFG Hermes takes its employees' well being seriously and, accordingly offers its employees a number of medical coverage plans to choose from (some may be location-dependant). Employees are invited to participate from their first day of employment and may enrol up to 3 dependants in the plan and tier of their choice, irrespective of their position or seniority within the Firm.

Coverage is reviewed on an annual basis and upgrades and enhancements are introduced. The Firm makes sure to take employees' feedback into consideration: When it was time to review one of its oldest and most widely used plans in 2014, the Firm made sure to take employees' opinions into account and launched a survey to gather detailed feedback from all concerned. Based on the results, the existing contract was terminated and a more suitable provider contracted.

Life Grant

EFG Hermes views its employees as part of a bigger family, and as such, seeks to take care of them beyond their employment with the Firm. With this in mind, the Firm introduced a life grant in 2007, through which the Firm commits to pay USD120,000 to the estate of any EFG Hermes employee who dies. This benefit is offered to all full-time employees regardless of seniority, salary, gender, length of service or location of employment. The Firm bears all premiums for this benefit.

Rights and Responsibilities

EFG Hermes promotes a culture of integrity and rejects unethical practices at all levels of its operation. The EFG Hermes Code of Conduct defines a clear set of standards for business conduct of employees and is available to all employees on the intranet.

The EFG Hermes Employee Handbook also clearly sets out employee rights in terms of conditions of employment, performance management, leave entitlements, recruitment, and employment termination procedures.

We are proud to be one of very few regional employers with clear policies against discrimination by nationality when hiring new employees. In our commitment to fair and equitable hiring practices, we do not offer different compensation packages based on the nationality of the applicant nor do we restrict the nationality of applicants for certain jobs.

EFG Hermes is committed to maintaining a work environment with the highest standards of ethics, transparency, and accountability. Policies ensuring workplace diversity and fair recruitment practices are documented and published through the intranet. An important aspect of this lies in ensuring the validity of all employee-related information from the start of the employment relationship. The "Know Your Employee" Policy, finalized in 2012, is intended to outline the Firm's requirements in vetting all relevant employee-related information at the start of the employment relationship. Employee screening is now an integral part of the hiring process. Pre-employment verification checks are undertaken to confirm the candidate's experience. In addition, the Firm does not consider members of an employee's family, up to the third degree for employment. Family members beyond the third degree may be considered for employment on the basis of their qualifications.

In addition, there is a separate "Whistle Blowing" Policy designed to protect employees from discrimination and foster a culture of open dialogue between employees and managers, through both formal and informal channels.



HUMAN CAPITAL

SUSTAINABILITY GOALS	ACTIVITIES (2015)
Enhance career learning and development opportunities	<ul style="list-style-type: none"> - Increase average number of training hours per employee - Allocate an annual increase in learning and development budget - Develop full-fledged internship programme and evaluate satisfaction of interns
Enhance communication between employees and management	<ul style="list-style-type: none"> - Administer targeted surveys to elicit employee opinion on potential service improvements - Monitor and report employee suggestions and grievances to make sure employee concerns are known to management and handled promptly



RESOURCE MANAGEMENT

Our commitment to sustainability extends to the responsible planning and management of resources within our own operation. The EFG Hermes Employee Handbook includes provisions for maintaining a safe and healthy workplace environment. A number of measures have been introduced to decrease the Firm's carbon footprint by conserving energy and minimizing waste whenever possible. However, we are ready to increase our level of commitment to resource conservation and management and are developing policies to guide our resource use.

Energy Efficiency

Energy efficiency is not only an essential step towards achieving sustainability in buildings and organizations but has also become financially critical as energy prices are increasing exponentially. EFG Hermes aims to reduce its carbon footprint and increase the energy efficiency in all of its offices by introducing energy efficiency interventions. A baseline study was commissioned to identify the carbon footprint and energy consumption patterns of EFG Hermes Smart Village headquarters as well as all Egypt branch offices.

The study presented the CO₂ footprint of EFG Hermes: land and air transport as well as electricity from the headquarters and local branches were taken into account. It identified a number of interventions that will potentially significantly reduce carbon footprint as well as generate significant financial savings. An action plan was formulated for immediate implementation at the EFG Hermes Smart Village headquarters in 2015. The study presented a number of no- and low-cost interventions and the action plan includes a combination of both that will decrease power consumption by approximately 6.3% and CO₂ emissions by 3.29% (see Table). In addition to environmental benefits, the decreased power consumption will cut the annual cost of electric power by EGP 180,000 annually assuming no change in energy pricing. Savings will likely be higher as electricity prices are scheduled to go up in the near term. Additional energy saving options will be studied for implementation at a later date.

OUR ACHIEVEMENTS

- Baseline study to identify energy conservation opportunities
- Action plan to increase energy efficiency and decrease carbon footprint
- Paper recycling programme in our UAE office



ENERGY CONSERVATION ACTION PLAN 2015

MEASURE	POWER SAVED (KWH/Y)	KG CO2 ABATED (KG/Y)
Lighting (including turning off unnecessary lights and replacing some fixtures with LEDs)	135,669.3	73,126.8
HVAC (increase office temp by 1C)	101,608	54,766.5
Total Savings	237,277.3	127,893.3
Total Before Savings	3,724,643	3,882,000
% change	-6.37 %	-3.29%

WASTE REDUCTION

EFG Hermes encourages its employees to practice resource conservation whenever possible. At present, a paper recycling initiative is being implemented and waste is separated at source. There are also plans to investigate the implementation of an e-statement initiative to replace the existing paper-based system and cut down on overall paper consumption.

RESOURCE MANAGEMENT

SUSTAINABILITY GOALS	ACTIVITIES (2015)
Increase energy efficiency throughout the Firm	<ul style="list-style-type: none"> - Communicate action plan to employees through orientation sessions and informational flyers - Apply energy saving action plan in Egypt
Reduce waste and resource misuse	<ul style="list-style-type: none"> - Offer e-statements as an alternative to paper statements - Initiate in-house recycling initiatives



INTEGRITY

Introduction

EFG Hermes is an industry leader in terms of best practices in corporate governance. Embracing sustainability is only an extension of policies based on our core value of integrity and our strategic principle of Public Responsibility. We have voluntarily adopted and stringently adhere to global standards at all levels, from the board of directors to line operations.

The ethical standards the Firm demands of its employees and the procedures they must follow are usually significantly tougher than those required by regulators in the majority of the markets in which EFG Hermes operates. Similarly rigorous is the quality and nature of the documentation we require of our clients. Institutionalized and documented procedures mean that corporate governance is a cornerstone of the Firm's operations. This exceptionally high level of compliance has helped us maintain our strong position relative to competitors, especially during turmoil.

We have also invested considerable time, effort, and resources in establishing internal policies and controls that ensure a comprehensive and rigorous approach to risk management and mitigation.

Governance

EFG Hermes has a very strong corporate governance framework and is one of the few firms in Egypt with a complete separation between ownership and management of the company. Going forward, this framework will allow us to continue with our efforts to live up to our shareholders' expectations.

Code of Conduct

We require that all our leadership and all employees, representatives, independent contractors and consultants comply with an institutionalized code of conduct to provide general guidance regarding professional conduct and self-discipline to ensure the observance of corporate governance best practices throughout the Firm. The code lays out the responsibilities of each person with regards to confidentiality, disclosure, protection, and use of information and transparency, and serves as the foundation for our Firm-wide practice of international standard corporate governance practices.

Policies

Staff Dealing Policy

We strictly prohibit employees in possession of insider information and their household members, with no exceptions, from buying or selling securities that may be affected by that information to uphold the highest level of work integrity and fair trading. Employees and their household members who wish to trade seek pre-approval and a minimum holding period from the employee's direct manager and Brokerage Head. Our rigorous pre-approval matrix ensures that employees do not exploit insider information to their benefit or engage in securities fraud.

Group Compliance Policy

Our compliance policy allows senior management to maintain best practice control standards and to fulfil regulatory requirements. More importantly, compliance safeguards the Firm against undue risk, whether reputational or financial. Compliance policies, procedures and controls are continuously updated, reviewed, and communicated to all departments, branches and subsidiaries.

Information Disclosure Policy

Appropriate management of information is essential for EFG Hermes to keep the trust of its clients and shareholders. We have instituted world-class systems to manage personal and corporate information that we store for our business operations. EFG Hermes adheres to the highest international standards for information disclosure and protection of sensitive information and we voluntarily choose to comply with tough standards above and beyond those required by regulators in all our countries of operation. Our institutionalized disclosure and documentation procedures are reinforced by our commitment to raising awareness about the importance of these issues at the Firm through employee training and information campaigns.

Whistle-blowing Policy

Whistle-blowing is effectively the act of alerting a third party that a person is doing or has done something wrong that goes against the Firm's business practices. This policy is designed to enable employees to raise concerns and disclose information they believe shows potential fraud, workplace malpractice or any failure to comply with a law, regulatory requirement, internal rule, regulation or policy in a safe and effective manner without fear of being reprimanded.



Anti-Fraud and Corruption Policy

Fraud is an intentional act by an individual or a group of individuals involving the use of deception to obtain an unjust or illegal benefit, or to deny a benefit that is due to another party whether it is a business, government or individual. Corruption is the dishonest activity in which a person entrusted with authority of an entity (a corporation, government agency or any other entity engaged in business activity) acts contrary to the interest of the Firm and abuses his /her position of trust in order to achieve some personal gain for himself/herself or for another person or entity.

Fraud and corruption adversely affect all of EFG Hermes stakeholders, including employees, shareholders and clients. This policy aims to educate EFG Hermes employees on fraud and corruption, set the framework for fraud prevention and anti-corruption actions and define each employee's role in fighting any potential fraud and corruption within EFG Hermes. This policy applies to all employees irrespective of their position with the Firm, and should be read in conjunction with the EFG Hermes Code of Conduct. Compliance with this policy is mandatory and non-compliance may lead to disciplinary action including dismissal.

Chinese Wall Policy

Our rigid Chinese Wall policies are committed to guarding against conflicts of interest arising from unstructured interactions between the Firm's divisions. Information sharing barriers are in place to prevent the flow of inside information that could be exploited by internal or external parties

A set of regulations and procedures is followed to regulate breaches of the wall, which are approved by a control room comprised of all our business lines' compliance representatives. Employee trading blackouts are strictly enforced during the lead up to major corporate announcements to prevent the improper use of confidential information. Any request for wall-crossing must be approved by compliance. Furthermore, all sensitive or potentially sensitive developments are shared strictly on a "need to know" basis, to limit any risk of the spread of insider information.

Anti-Money Laundering Policy

We believe that having sufficient information about our clients is the best way to minimize the Firm's risk of being used for illicit activities. It also protects us against fraud and enables us to recognize suspicious activity. Our anti-money laundering (AML) policy is based upon the strict adherence to the following procedures:

- The verification of the identity of new clients
- The receipt and payment of funds directly to / from the client (not from third parties)
- The reporting system of suspicious transactions
- The maintenance of complete and accurate records
- The education and training of all employees on the AML manual with regular updates

Disaster Recovery Policy

EFG Hermes' has invested time and money into developing a disaster recovery and business continuity plan that will protect the Firm's data and IT infrastructure from fires, natural disasters, and other unforeseeable events. All three of our regional hubs have disaster recovery sites and documented procedures for notification and recovery. The disaster recovery sites will enable full operation of all lines of business in the event of natural or manmade disasters including accidents, sabotage and burglaries. A special crisis management team composed of senior management and a business risk coordinator responsible for all internal communication are also in place to implement disaster recovery procedures in a smooth and efficient manner.

Anti-Money Laundering and Anti-Fraud Courses

All employees of EFG-Hermes have to take mandatory anti-money laundering and anti-fraud courses online on an annual basis. Since 2012, the results of the courses are reflected on the employee's end of year appraisal.

Due Diligence Processes

Our thorough due diligence processes, which are applied to individual and corporate clients alike, ensure that no new businesses are undertaken prior to Compliance scrutiny, verification and approval.

Our due diligence processes are implemented across business lines at EFG Hermes to ensure that our investment platforms are not used for illegal transactions. Potential clients are required to fill out a detailed questionnaire, and investor names are checked against domestic and international sanctions lists like the OFAC and United Nations lists to protect the Firm from entering into business with persona non grata individuals. Politically sensitive clients undergo a strict screening process and their accounts are subjected to tough requirements to ensure compliance with international best practices in all areas.

Our due diligence documents are protected by strict access regulations and documentation standards.



OUR ACHIEVEMENTS

- 100% of the workforce have signed and acknowledged the Code of Conduct
- Staff Dealing Policy
- Group Compliance Policy
- Information Disclosure Policy
- Disaster Recovery Policy
- “Chinese Wall” Policy
- Anti-Fraud and Corruption Policy
- Whistle-blowing Policy
- Anti-Money Laundering Policy
- Rigorous due diligence processes
- Mandatory training in anti-money laundering: 89% of the workforce took the AML training in 2014
- Mandatory training in anti-fraud: 90% of the workforce took the anti-fraud training in 2014

Governance

SUSTAINABILITY GOALS	ACTIVITIES (2015)
Develop an environmental, social and corporate governance (ESG) policy to complement other governance policies	- Conduct groundwork to prepare the ESG policy
Develop policies that formalize, govern and protect relationship with business partners and suppliers	- Conduct groundwork to prepare a supplier relationship policy

Internal Audit and Risk Management

At EFG Hermes, we take our audit and risk management responsibilities very seriously and have implemented strong policies and procedures to ensure that all of our activities are in compliance with international best practices.

Internal Audit plays a vital role by assisting senior management to maintain best practice control standards and fulfil regulatory requirements. Most importantly, Internal Audit safeguards the Firm against undue risk whether reputational or financial.

Internal Audit activity provides assurance throughout the Firm that internal controls in place are sufficient to mitigate risks, that corporate governance processes are adequate, and that organizational goals and objectives are being met.

EFG Hermes’ Internal Audit Department reports independently to the Audit Committee (comprised of non-executive board members and external professionals) and administratively to the Group CEO. In addition to submitting regular reports to the Audit Committee, Internal Audit constantly conducts spot checks, reviews and inspections of the Firm’s departments.

Internal Auditing for Sustainability

EFG Hermes is taking a momentous step forward in social responsibility, inducing changes in business models and risks. In our continuous efforts to align the Internal Audit Department with the company’s strategic goals, we have expanded our audit scope to encompass several sustainability-specific goals designed to integrate sustainability considerations in regular auditing procedures.



Audit Universe

The Internal Audit Department identifies auditable business processes, functions, entities and departments across the organization — what is known as the audit universe — at the beginning of every year.

Risk Assessment for Risk Rating and Opinion

A subsequent risk assessment is made for every business process, function, entity and department wherein the Internal Audit Department examines the business, operational and internal control environment, control history, previous internal and external audits against the backdrop of imminent and potential risks. A risk rating of high, medium or low is given to each unit in question; correspondingly an Internal Audit opinion of 'satisfactory', 'needs improvement' or 'unsatisfactory' is given.

Our Achievements

- Highly developed and rigorous internal auditing engagements
- Strong internal control and risk management culture
- Uphold alignment of business to management's strategic goals
- Audit work programme and scope cover sustainability-related areas

Annual Audit Plan for Internal Auditing Frequency

A risk-based annual audit plan is devised based on the risk ratings, internal audit opinions and Board of Directors' objectives. The ratings and opinions positively correlate with audit priority and number of working hour's allocated; the higher the risk and the lower the opinion, the earlier and more frequent a unit is audited and the more time is invested in it. On the same token, units that score a low-risk and 'satisfactory' opinion are audited every other year. The result is an effective and organized rolling plan focused on the year ahead.

The Audit and Risk Committee

The Audit and Risk Committee is comprised of a non-executive Chairperson and two independent non-executive members. The Audit and Risk Committee convenes on a quarterly basis, aside from interim conference calls; the Committee met a total of four times in 2014.

The Audit and Risk Committee is responsible for:

- Facilitating an open avenue of communication between the internal auditors, the Chief Risk Officer, the external auditors and the Board of Directors, thus ensuring transparency in the disclosure of the findings of the Audit and Risk Committee.
- Reviewing the company's annual financial statements.
- Reviewing any significant violations and management's responses and/or proposed actions related to the infringements in question.
- Reviewing the activities, staffing and organizational structure of the Internal Audit and Risk departments.
- Reviewing and making recommendations on the appointment, replacement, or dismissal of the Chief Internal Auditor and the Chief Risk Officer.
- Reviewing the external auditors' proposed scope of audit and approach, including coordination of audit efforts with internal audit.
- Assisting the Board in fulfilling its statutory and regulatory obligations in all aspects of Risk which include:
 - Overseeing, ratifying and reviewing the duties of the Risk Management Department.
 - Making recommendations to the Board of Directors concerning the Firm's risk appetite.
 - Making plans for the mitigation of material risks faced by various business units.
 - Implementing and reviewing risk management and internal compliance.

INTERNAL AUDIT AND RISK MANAGEMENT

SUSTAINABILITY GOALS	ACTIVITIES (2015)
Address potential emerging risks and exposures from sustainability-related activities	Internal Audit will expand its scope to ensure that all new areas of risk are identified and mitigated
Foster a sustainability-oriented culture	Internal Audit will closely monitor business compliance to sustainability-oriented practices
Monitor business performance in achieving sustainability goals	Internal Audit will ensure continuous improvement on sustainability by following up on business performance
Establish an employee complaint system for increased employee engagement	Establish an online employee complaint system to allow employees to express grievances.





Summary Table



SUMMARY TABLE

GOALS	ACHIEVEMENTS	ACTIVITIES 2015
Establish a procedure for sustainability reporting	- Preparation of the first annual Sustainability Report	- Release of first annual sustainability report in March 2015 - Develop content to be included in the 2015 Sustainability Report (to be distributed to shareholders in March 2016)
Continue membership in the UNGC	- Membership in the United Nations Global Compact (UNGC) since 2011	- Submit UNGC COP for 2014
Develop policies and procedures that integrate sustainability across all business lines and activities	- Establishment of a Corporate Sustainability Committee - Adoption of "Public Responsibility" as one of the Firm's strategic guiding principles - Articulation of the Firm's Social Purpose - Formal statement by the CEOs announcing EFG Hermes' commitment to sustainability	- Conduct internal meetings to map out sustainability needs in terms of policies and procedures - Work with business lines and departments to develop sustainability Key Performance Indicators (KPIs)
Ensure that shareholders and clients share EFG Hermes' vision of sustainability as an integral part of the Firm's future	- Regular, transparent communication with shareholders - State-of-the-art website with multiple portals that provide our stakeholders with up to date information about the Firm as well as invaluable research on regional financial markets and investments	- Highlight sustainability commitment on the EFG Hermes website - Develop a presentation for shareholders and clients highlighting the Firm's commitment to sustainability
Secure employee support for sustainability initiatives and commitments	- Employee orientation sessions on sustainability - Employee Sustainability Assessment Survey	- Conduct additional employee sustainability orientation sessions - Administer the Quarterly Employee Sustainability Competition - Introduce mandatory sustainability training for all employees

GOALS	ACHIEVEMENTS	ACTIVITIES 2015
Communicate EFG Hermes' new sustainability policies to the media and business partners	- Regular PR events	- Continue to provide transparent, timely communication with business partners and the media
Responsible Investing Become a signatory of UNPRI by 2016		- Ensure that the 6 Principles are incorporated into the forthcoming ESG Policy - Promote acceptance and implementation within the private equity and investment banking departments - Report on progress of team in preparing to adopt the 6 Principles
Increase investment in sustainable initiatives	- Three landmark responsible investments: Tafila Wind Farm, Vortex Energy and ERC - Percentage of	- Integrate sustainability reporting into requirements for investment banking clients
	private equity assets under management in responsible investments is 27% (unaudited figure)	





ASSURANCE STATEMENT

SGS EGYPT LTD'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE SUSTAINABILITY REPORT OF EFG HERMES "PUBLIC RESPONSIBILITY THE WAY FORWARD" SUSTAINABILITY REPORT 2014

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Egypt Ltd was commissioned by EFG Hermes to conduct an independent assurance of the Sustainability Report "Public Responsibility The Way Forward EFG Hermes Sustainability Report 2014" (*hereafter the "Sustainability Report 2014"*). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the full text and data in accompanying tables contained in this Report.

This covered all sections of the report, except for those relating directly to financial information or marketplace performance data relating to the EFG Hermes organisation. A comprehensive analysis of all text and claims in the report was undertaken.

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process. Financial data for the period in scope of the financial year referenced in this report and therefore was specifically excluded from the scope of this assurance process as is typical with sustainability assurance. We did however cover in our assurance scope the information relating to the EFG Hermes Foundation and looked at audited accounts of this organisation.

The information in the Sustainability Report 2014 and its presentation are the responsibility of the directors of the management of EFG Hermes. SGS Egypt Ltd has not been involved in the preparation of any of the material included in the Sustainability Report 2014.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification set out below with the intention to inform all EFG Hermes's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2013) for accuracy and reliability.

We provided a limited level of assurance, using our protocols for evaluation of content veracity, and the assurance assignment comprised of the following activities:

- Pre-assurance desk research and management interviews carried out at EFG Hermes headquarters in Cairo in January 2014 which focused on sustainability strategy and sustainability management systems.
- Extensive review and cross-matching of claims made in the Sustainability Report 2014 with documentary record checking to check statements and data back to source.
- Interviews with the EFG Hermes Foundation CEO.
- Documentation for energy management was taken from an extensive report conducted by a third party consultant provider to EFG Hermes which we regard as having flawed assumptions, which were later subsequently recalibrated and represented to SGS post-audit visit to which we were subsequently satisfied with as having accurate assumptions for a sound basis of calculation.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS Egypt Ltd affirms our independence from EFG Hermes, being free from bias and conflicts of interest with the Organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment. The team included a Sustainability Assurance Lead Auditor from SGS Egypt with experience of overseeing the SGS Global Sustainability Assurance Practice who carried out all management interviews and document and record checks at EFG Hermes headquarters in Cairo; and a Sustainability Assurance Auditor from SGS Egypt, who was present throughout the assurance assignment and supported the Lead Auditor by undertaking some interviews in Arabic and checking documents that were written in Arabic.

VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, nothing has come to our attention that leads us to believe that the information and data contained within the Sustainability Report 2014 verified is not accurate or reliable, or that it does not provide a fair and balanced representation of EFG Hermes's sustainability activities as detailed in Sustainability Report 2014.

The assurance team is of the opinion that the EFG Hermes Sustainability Report 2014 can be used by the Reporting Organisation's Stakeholders. We believe that the Organisation has chosen an appropriate level of assurance for this stage in its reporting.

RECOMMENDATIONS

SGS recognises that this is the first sustainability report of EFG Hermes and it is to be welcomed, particularly given that reporting and assurance of reporting is not commonplace in Egypt. EFG Hermes are to be congratulated on beginning the journey towards broader and deeper sustainability disclosure. However, without affecting our assurance opinion, we make the following observations and recommendations in relation to EFG Hermes's sustainability strategy and sustainability communications approach going forward. Opportunities were identified during the assurance for consideration to ensure continual improvement, including the following:

- Greater use of target setting and clear KPI performance evaluation throughout the report and setting of goals that can be measured and reported on in future reports, this also extends to the inclusion of a table (or tables) that track and report on progress to goals throughout the report
- Further information on how EFG Hermes can play the role of leader in the region as a responsible financial organisation, and in future reports provide an update on progress to the Principles for Responsible Investment (UNPRI)
- A number of issues that are of interest to stakeholders are excluded from the report as they fall outside EFG Hermes's sphere of influence or control. We recommend that in future reports that EFG Hermes discloses in more detail the measures it has taken to use its influence to encourage its value chain actors to embrace sustainability and discuss and explore the risks posted by organisations operating in its sphere of control or sphere of influence.
- Further details on material issues that directly impact on EFG Hermes and material issues in the EFG Hermes sphere of influence and a higher level of attention to the management of material issues
- In future reports use GRI G4 to enable a logical and fully comprehensive reporting framework and structured approach, this will afford EFG Hermes's stakeholders the benefit of clarity on the materiality issues, sustainability direction and performance of EFG Hermes
- Use greater level of disclosure of quantitative data throughout the report, including reporting on HR based data to present better the high value roles that EFG Hermes provides in Cairo and the region

- Given the environmental impact and water stress it is recommended that future reports include more comprehensive coverage of the consumption of resources, to include water, and focus more clearly on the concept of reduce, reuse, recycle
- EFG Hermes need to check more thoroughly data assumptions in respect of environmental data and ensure that future reports clearly indicate the methodology and factors used to calculate CO2 emissions
- Include a feedback mechanism for gathering stakeholder opinion on the sustainability strategy, to include a consideration of a rounded stakeholder engagement programme

A concise internal management report has been prepared for EFG Hermes which includes a detailed set of recommendations to help identify areas for future improvement.



Dr Elzoheiry Ashraf
SGS Egypt

APRIL 2015

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